

Era of Engagement

An employer guide







Introduction

When we did our 2024 employee survey – where we asked 1,000 UK employees about their benefits – there was one startling difference from 2023:

The number of employees who don't engage with their benefits has jumped drastically, from 28% in 2023 to 37% in 2024.

In the most part, the other areas we surveyed hadn't increased or decreased that much – and certainly not as dramatically.

It prompted us to ask why, and what employers could do about it. Low engagement isn't just an employee problem; it's a red flag of wasted spend and missed preventative opportunities.

Typically, we find that it's a layered issue – but there are some common themes that are often barriers to engagement. In this guide, our experts from across PIB Employee Benefits highlight these and the steps companies can take to address them.

We hope you find it useful as you review your own engagement. As always, you can get in touch with us directly at contact@pib-eb.com.

Joanne Neary
Head of Consulting
joanne.neary@pib-eb.com



Who are the disengaged demographic?

In our survey, we asked employees about how they access their employee benefits. The majority use a website – either internal or external – with only 12% accessing via an app.



12% use an app



20% use an external website



38% use an internal website



9% use a benefits booklet

And **37%** do not access any information about their employee benefits.



Consumer expectations have shifted significantly over the past ten years; they expect a B2C experience from a B2B product. Using a digital benefit platform can facilitate a better consumer experience and boost employee engagement – whilst alleviating the administrative burden for HR teams.

Tarang McKenzie
Head of Technology



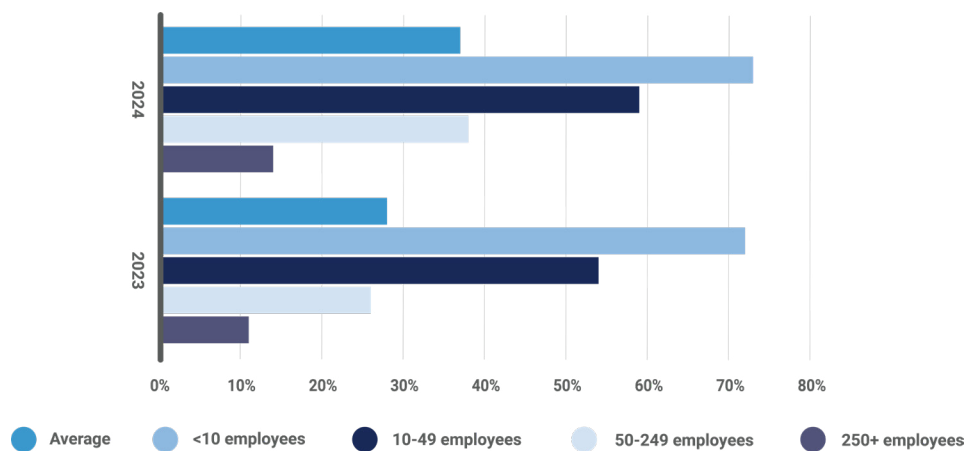


The engagement gaps

The SME Gap

When we look by company size, companies with 50-249 employees saw the biggest decline in engagement; smaller organisations saw a minimal decrease – although less than a third of employees in SMEs are actively accessing information about their employee benefits. There is clearly a need for companies to better engage their employees with benefits.

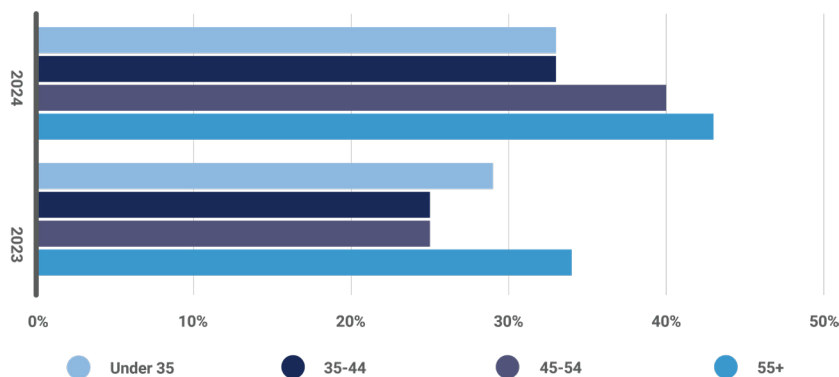
Employee engagement by size (2024 vs 2023)



The Generation Gap

If we break down the data by age, the largest decrease in engagement is within the 45-54 age group who saw a 15 percentage point increase in employees not accessing information about their benefits in 2024 when compared to 2023.

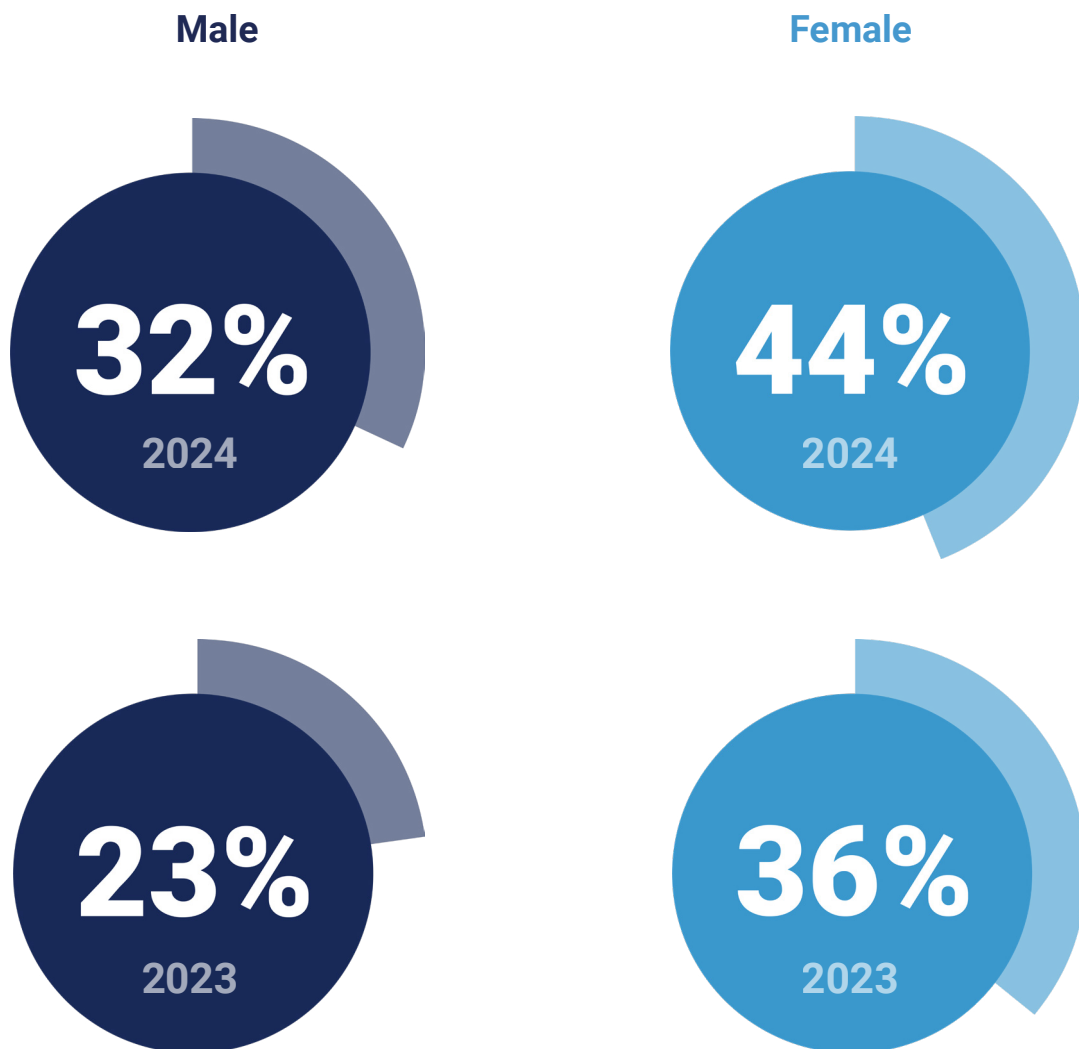
Employee engagement by age (2024 vs 2023)





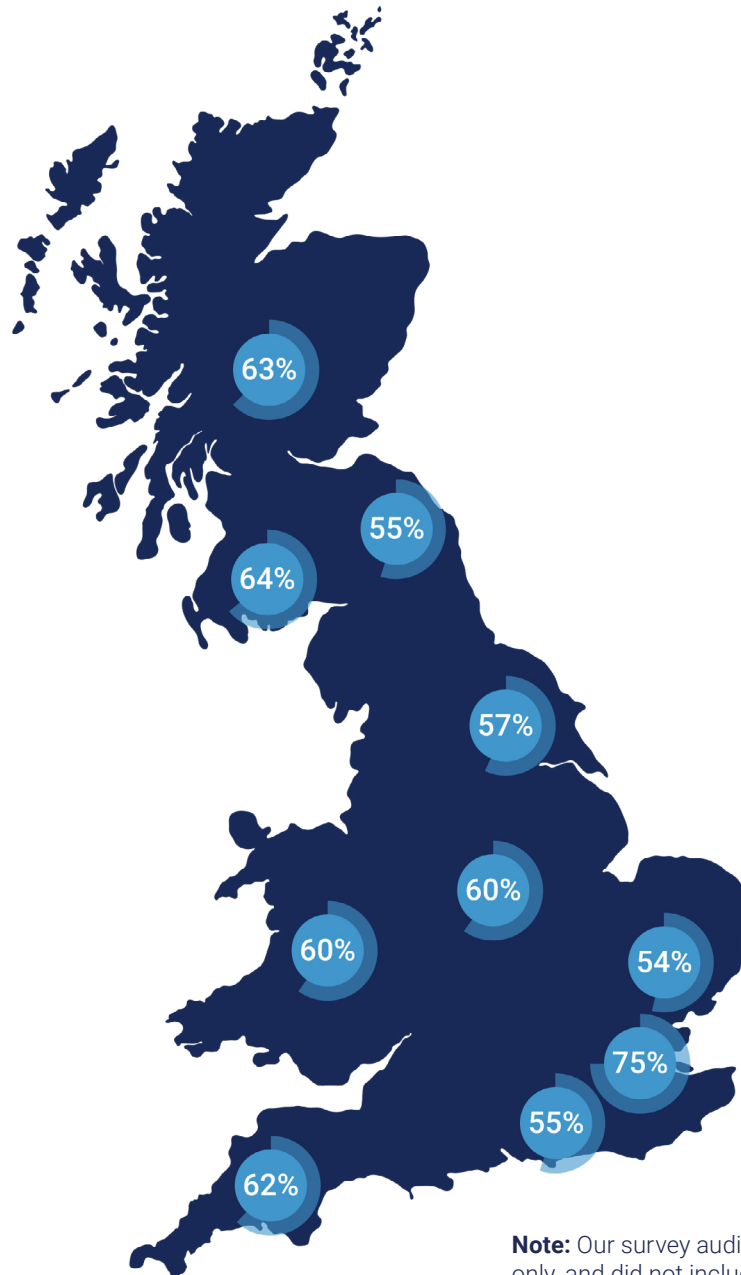
The Gender Gap

Our research shows that men are significantly more likely to engage with their benefits than women; in 2024, there was a twelve percentage point gap, which had closed marginally from a thirteen percentage point gap in 2023. For both genders we have seen a similar jump in disengagement year on year:



The Regional Gap

Aside from London, there aren't massive regional differences between benefits engagement – with under ten percentage points between the lowest (East of England) and the highest (North West).



Note: Our survey audience covered Great Britain only, and did not include Northern Ireland.



What are the barriers to engagement?

As our research shows, many employees are failing to take full advantage of their employee benefits, leaving valuable resources untapped. But what's driving this lack of engagement?

1 Lack of Understanding

One of the biggest barriers is that employees often don't fully grasp the value or application of their benefits. When three quarters of the UK population fall below the financial literacy benchmark¹, it's not surprising that employee understanding of benefits communications – where we talk about P11Ds, salary sacrifice, and matched pension contributions – might be low.

Complex terminology, confusing eligibility criteria, and a lack of educational content could make benefits seem inaccessible or irrelevant to employees.



35% of employees reported their benefits communications are not easy to understand and they don't know how to access their benefits

Jo Neary
Client Services Director



2 Lack of Awareness

Many employees simply don't know what benefits their employer offers; nearly half of employees do not receive regular communication from their employer about their benefits.

Unclear communication or infrequent reminders can result in employees missing out on valuable, impactful support.

35%
of employees reported their benefits communications are not easy to understand and they don't know how to access their benefits

Employees are exposed to hundreds of messages every day, from promotional advertisements to work emails to banking notifications to messages from friends and family. There's a lot of noise to cut through, and repeated touchpoints will be needed to break through the noise.



3 Unclear Access Routes

Even if employees are aware of their benefits, unclear access routes can be another major hurdle. If the process to enroll, claim, or use benefits is complicated, employees may feel discouraged from engaging further.

Difficult-to-navigate benefits portals or lack of clear instructions can add to the frustration. Our research shows significant differences in access routes across organisation size.

4 Unsupportive Culture

Not only do benefits need to be accessible at point-of-need, they also need to be useable. If employees need support, they need to be able to engage with the support on offer. Creating a culture that facilitates access – such as flexible working hours to attend appointments, or wellbeing days to ensure breaks – this will enable your employees to take ownership of their health.

People manager training is also key, to help reinforce expectations and facilitate signposting to colleagues who may need support.

Benefits communications across organisation size

	<10 employees	10-49 employees	50-249 employees	250+ employees
App	2%	5%	14%	18%
External website	12%	17%	18%	24%
Internal website	5%	10%	33%	64%
Benefits booklet	2%	9%	11%	10%

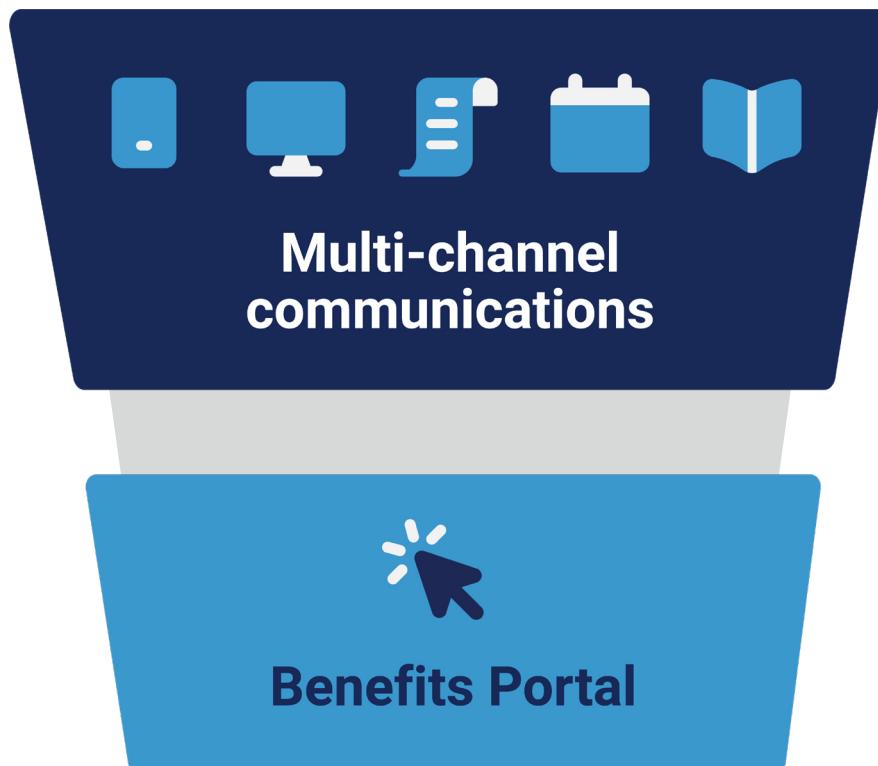
How can companies boost engagement?

Engagement starts with effective communication.

We advise companies take a multi-channel approach to communication, funnelling employees to one centralised access point (such as a benefits portal). Popular formats include emails, booklets, posters, webinars, and leaflets – but companies can also consider alternative routes that better suit their workforce. If your workforce spends a lot of time driving, consider dashboard

stickers or wallet inserts. If your workforce doesn't have an office base, consider posting information directly to home addresses – with QR codes for instant access.

Companies should actively seek employee feedback on benefits communications, allowing them to refine their strategy based on the methods employees find most engaging and effective.



What can companies do?

- > Regularly communicate with your employees, don't just talk about benefits during onboarding or annual windows
- > Don't rely on just one communication channel; repeated touchpoints are needed to reinforce key messages
- > Provide people managers with dedicated training and signposting information
- > Larger organisations could create benefits champions to encourage peer-to-peer facilitation
- > Ensure your benefits copy is clear and understandable, with explainer content for more technical information
- > Use webinars and video content to provide deep dives and as an opportunity for Q&A sessions
- > Ask colleagues to share their stories about how benefits have helped their lives





Get in touch

For more information on the issues covered in this guide, please get in touch with our benefits experts.

pib-eb.com

t. +44 345 565 1617 | e. info@pib-eb.com



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Endnotes

1 | <https://www.ftadviser.com/your-industry/2023/07/28/three-quarters-fall-below-finacial-literacy-benchmark/>